

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2003

	June-03					March-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																					
<i>Structured Growth</i>																					
AllianceBernstein	374,035	2.3%	2.3%	10.39%	0.00%	416,975	2.7%	2.3%	-0.09%	301,198	2.0%	2.3%	2.89%	273,722	1.9%	2.3%	-13.54%	-1.88%	-28.65%	-21.24%	-6.07%
Russell 1000 Growth				14.31%	1.38%				-1.07%				7.15%				-15.05%	2.94%	-26.49%	-21.54%	-5.03%
<i>Structured Value</i>																					
LSV	360,601	2.2%	2.3%	19.71%	1.86%	314,030	2.1%	2.3%	-5.77%	337,813	2.2%	2.3%	6.49%	296,626	2.1%	2.3%	-18.63%	-2.25%	2.41%	8.84%	3.73%
Russell 1000 Value				17.27%	1.25%				-4.86%				9.22%				-18.77%	-1.02%	-8.96%	-0.19%	1.05%
<i>S&P 500 Index</i>																					
State Street	1,733,095	10.6%	10.5%	15.39%	1.27%	1,565,503	10.3%	10.5%	-3.17%	1,573,464	10.3%	10.5%	8.41%	1,357,318	9.5%	10.5%	-17.26%	0.23%	-18.03%	-11.28%	-1.69%
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.25%	-17.99%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	2,467,731	15.1%	15.0%	15.15%	1.19%	2,296,508	15.1%	15.0%	-3.03%	2,212,476	14.5%	15.0%	7.33%	1,927,666	13.5%	15.0%	-16.96%	-0.48%	-16.89%	-9.33%	-1.90%
S&P 500				15.39%	1.28%				-3.15%				8.44%				-17.28%	0.25%	-17.99%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																					
<i>Manager-of-Managers</i>																					
SEI	830,874	5.1%	5.0%	23.45%	2.03%	681,531	4.5%	5.0%	-4.21%	711,485	4.7%	5.0%	4.91%	678,217	4.8%	5.0%	-19.31%	0.09%	-11.77%	N/A	N/A
Russell 2000 + 200bp				24.00%	1.98%				-4.00%				6.68%				-20.97%	0.36%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	830,874	5.1%	5.0%	23.45%	2.03%	681,531	4.5%	5.0%	-4.21%	711,485	4.7%	5.0%	4.91%	678,217	4.8%	5.0%	-19.31%	0.09%	-11.69%	-3.49%	1.64%
Russell 2000				23.42%	1.81%				-4.49%				6.16%				-21.40%	-1.63%	-8.59%	-3.30%	0.97%
CONVERTIBLES																					
TCW	1,635,668	10.0%	10.0%	11.99%	0.65%	1,546,389	10.1%	10.0%	1.17%	1,528,419	10.0%	10.0%	8.16%	1,413,223	9.9%	10.0%	-10.05%	10.23%	-20.37%	-9.51%	3.90%
First Boston Convertible Index				10.64%	0.65%				3.82%				9.83%				-8.47%	15.46%	-12.44%	-3.77%	5.29%
INTERNATIONAL EQUITY																					
<i>Large Cap - Active</i>																					
Capital Guardian	1,342,302	8.2%	8.0%	17.03%	3.06%	1,416,781	9.3%	9.0%	-10.02%	1,383,531	9.1%	9.0%	7.28%	1,292,928	9.1%	10.0%	-20.60%	-10.31%	-12.10%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				17.26%	2.86%				-9.03%				4.04%				-20.02%	-11.24%	-14.62%	-15.51%	-5.33%
<i>Small Cap - Value</i>																					
Lazard	171,769	1.1%	1.0%	21.81%	1.71%	159,504	1.0%	1.0%	-7.22%	151,137	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				23.03%	4.80%				-2.09%				N/A				N/A	N/A	N/A	N/A	N/A
<i>Small Cap - Growth</i>																					
Vanguard	159,344	1.0%	1.0%	N/A	-0.40%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				0.00%	4.80%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,673,415	10.2%	10.0%	17.56%	2.97%	1,576,285	10.3%	10.0%	-9.74%	1,534,667	10.1%	10.0%	7.78%	1,292,928	9.1%	10.0%	-20.60%	-9.20%	-12.10%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				17.26%	2.86%				-9.03%				4.04%				-20.02%	-11.24%	-14.62%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																					
<i>Core Bond</i>																					
Western Asset	4,083,442	25.0%	25.0%	3.58%	-0.26%	3,979,417	26.1%	25.0%	2.16%	3,997,839	26.3%	25.0%	2.96%	3,856,184	27.0%	25.0%	3.51%	12.77%	8.36%	11.23%	8.12%
Lehman Aggregate				2.50%	-0.20%				1.39%				1.57%				4.58%	10.39%	8.62%	10.07%	7.54%
<i>Index</i>																					
Bank of ND	2,250,630	13.8%	15.0%	3.45%	-0.35%	2,187,507	14.3%	15.0%	1.65%	2,120,738	13.9%	15.0%	1.65%	2,160,079	15.1%	15.0%	5.96%	13.26%	8.38%	10.87%	7.78%
Bank of ND CD'S	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Total Index	2,250,630	13.8%	15.0%	3.45%	-0.35%	2,187,507	14.3%	15.0%	1.65%	2,120,738	13.9%	15.0%	1.65%	2,160,079	15.1%	15.0%	5.96%	13.26%	8.38%	10.87%	7.78%
Lehman Gov/Credit				3.52%	-0.40%				1.65%				1.73%				5.70%	13.14%	8.24%	10.82%	7.83%
<i>BBB Average Quality</i>																					
Strong	1,770,079	10.8%	10.0%	6.01%	-0.06%	1,685,497	11.0%	10.0%	3.29%	1,608,132	10.6%	10.0%	4.48%	1,528,897	10.7%	10.0%	3.07%	17.91%	N/A	N/A	N/A
Lehman US Credit BAA				6.54%	-0.05%				3.40%				4.59%				2.70%	18.33%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	8,104,150	49.6%	50.0%	3.97%	-0.24%	7,852,421	51.5%	50.0%	1.63%	7,726,709	50.8%	50.0%	2.89%	7,545,160	52.9%	50.0%	4.11%	13.18%	7.38%	10.80%	7.81%
Lehman Gov/Credit				3.52%	-0.40%				1.65%				1.73%				5.70%	13.14%	8.24%	10.82%	7.83%
CASH EQUIVALENTS																					
Bank of ND	1,625,449	9.9%	10.0%	0.32%	0.10%	1,300,898	8.5%	10.0%	0.35%	1,503,212	9.9%	10.0%	0.41%	1,406,182	9.9%	10.0%	0.48%	1.57%	2.41%	3.26%	4.15%
90 Day T-Bill				0.33%	0.14%				0.30%				0.43%				0.45%	1.52%	2.63%	3.33%	4.08%
TOTAL FIRE & TORNADO FUND	16,337,287	100.00%	100.00%	8.48%	0.58%	15,254,031	100.00%	100.00%	-0.39%	15,216,968	100.00%	100.00%	4.09%	14,263,375	100.00%	100.00%	-4.65%	7.25%	-2.37%	1.67%	4.94%
POLICY TARGET BENCHMARK				7.75%	0.39%				-0.30%				3.96%				-3.96%	7.25%	-1.42%	2.12%	4.52%

NOTE: Monthly returns and market values are preliminary and subject to change.